

<b>UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY</b>	
Caption in Compliance with D.N.J. LBR 9004-2(c)	
Robert E. Nies, Esq. ( <a href="mailto:rnies@csglaw.com">rnies@csglaw.com</a> ) Armen Shahinian, Esq. ( <a href="mailto:ashahinian@csglaw.com">ashahinian@csglaw.com</a> ) <b>CHIESA SHAHINIAN &amp; GIANTOMASI PC</b> One Boland Drive West Orange, NJ 07052 Tel: (973) 530-2012 Fax: (973) 530-2212  <i>Attorneys for Arch Insurance Company and Arch Reinsurance Company</i>	
In re:  HOLLISTER CONSTRUCTION SERVICES, LLC, <sup>1</sup>  Debtor.	Case No. 19-27439 (MBK)  Chapter 11  Honorable Michael B. Kaplan  Hearing Date: November 15, 2019 at 9:30 a.m.

**LIMITED OBJECTION AND RESERVATION OF RIGHTS BY ARCH INSURANCE  
COMPANY AND ARCH REINSURANCE COMPANY TO MOTION OF HERC  
RENTALS, INC. FOR ENTRY OF AN ORDER (1) LIFTING THE AUTOMATIC STAY  
PURSUANT TO 11 U.S.C. § 362 AND (2) PERMITTING HERC RENTALS, INC. TO  
REMOVE ITS PROPERTY FROM VARIOUS PROJECTS**

**TO: THE HONORABLE MICHAEL B. KAPLAN**  
**United States Bankruptcy Judge**  
**United States Bankruptcy Court for the District of New Jersey**

Arch Insurance Company and Arch Reinsurance Company (together, “Arch” or “Surety”), by and through its undersigned counsel, respectfully submits this limited objection and reservation of rights (the “Limited Objection”) to Motion of Herc Rentals, Inc. for Entry of Interim an Order (1) Lifting the Automatic Stay Pursuant to 11 U.S.C. § 362 and (2) Permitting

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<sup>1</sup> The Debtor in this chapter 11 case and the last four digits of its taxpayer identification number is: Hollister Construction Services, LLC (5404).

Herc Rentals, Inc. to Remove its Property from Various Projects (the “Motion”) [Dkt. No. 368] and, in support of the Limited Objection, respectfully states:

**LIMITED OBJECTION**

1. Arch has worked diligently for weeks with its professionals and Debtor’s counsel (and principals) to fashion a process to enable bonded projects to be completed expeditiously, for subcontractors to be retained to complete work on bonded projects, to the extent possible, and to maximize recoveries and minimize losses for all parties, including Debtor’s estate.

2. Arch has no objection to Herc Rental retrieving its equipment from various bonded job sites once a decision is made among Debtor, the respective project owner and Arch as to how a specific bonded project will be completed and, for example, whether a replacement construction manager will be retained and, if so, whether Herc Rental equipment will be needed (and available) to complete some or all of the bonded projects on which the rental equipment presently is located.

3. Debtor and Arch anticipate filing today, with a return date of November 15, 2019, at 9:30 a.m., a “Joint Motion of Debtor Arch Insurance Company and Arch Reinsurance Company for Entry of an Order Approving the Stipulation By and Among the Parties Pursuant to Fed. R. Bankr. P. 9019” (the “Motion”).

4. Once the proposed order on the Motion is entered, presumably on or about November 15, Arch will be in a position to make a decision by December 15, 2019, as to specifically which Herc Rental equipment will be required to complete each specific bonded project. To the extent Arch can make that determination sooner on a project by project basis, Herc Rental will be advised of the projects on which equipment may be removed without further order of the Court.

5. Nothing contained herein shall be construed as or deemed a waiver of Arch's rights, all rights being expressly reserved.

**CONCLUSION**

For each of the reasons set forth above, Arch respectfully requests that the Motion should be denied without prejudice or carried to on or about December 15, 2019.

**CHIESA SHAHINIAN & GIANTOMASI PC**  
*Attorneys for Arch Insurance Company and Arch  
Reinsurance Company*

By: /s/ Robert E. Nies  
Robert E. Nies

Dated: November 7, 2019